



January 7, 2003

EQUITY OFFICE PROPERTIES TRUST

Thermally Activated Technologies Roadmap Workshop

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Equity Office National Portfolio

Buildings: 744

Locations: 34 markets

Submarkets: 142

Portfolio: 126.8 MM sf

Employees: 2,617

Businesses: 9,300

Customers: 501,000

Total Cap: \$24.0 billion



161 N. Clark
Chicago



The Tower
Los Angeles



Park Avenue Tower
New York



Liberty Place
Washington, D.C.



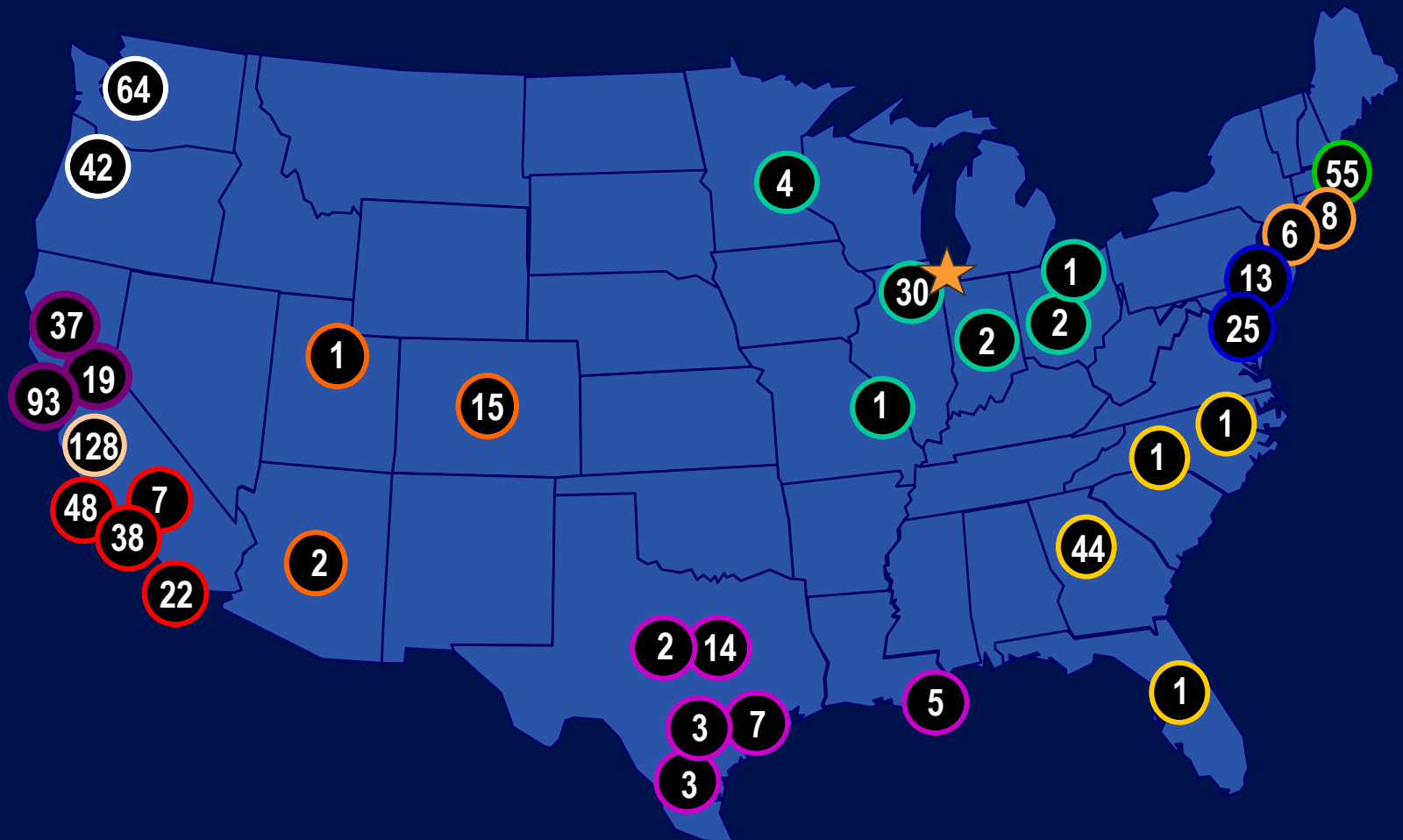
Rowes Wharf
Boston



Metro Center Tower
San Francisco

EOP National Platform

744 BUILDINGS 34 MSAs





OSEP L.L.C.

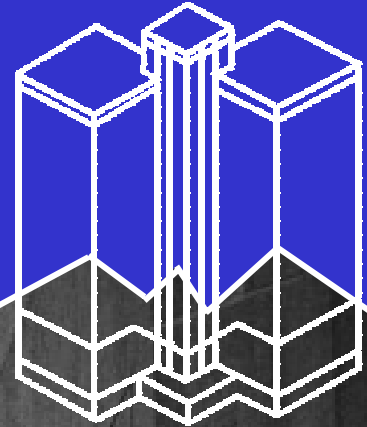
On-Site Energy Providers

As part of Equity Office's focus on efficiencies and working smarter, we have formed a business unit to concentrate on energy.

Four Focus Areas of OSEP

- Energy Procurement
- Energy Auditing and Bill Processing
- Enterprise Energy Report
- Energy Retrofit Services
 - Demand-Side Management
 - Distributed Generation

Distributed Generation Where to Start?



Distributed Generation Criteria

Economic

Load

Standby Potential

Thermal Need

Gas

Electrical Feed

Space

Utility

Incentives

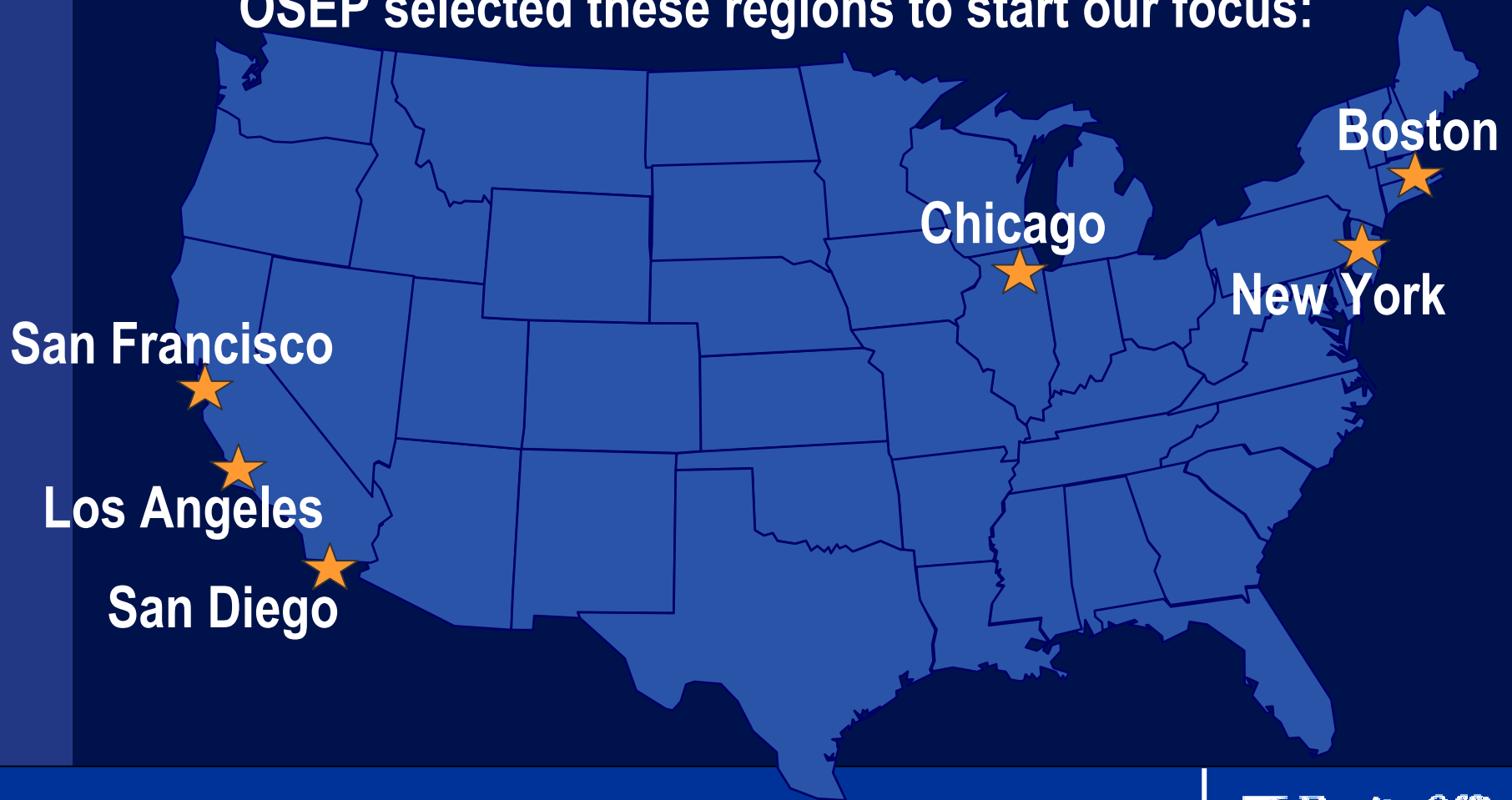
Environmental

Exhaust

Cooling

Regions Selected

Based on the economic evaluation of our portfolio,
OSEP selected these regions to start our focus:



OSEP L.L.C. Power Projects

Status	# of Projects	kw
Pre-development	2	4,400
Active Development	8	8,075
On-Line	1	1,100
Total:	11	13,575

Power Projects Under Development



101 North Wacker Drive
Chicago, IL
400 kw



1301 Ave of the Americas
New York, NY
2,250 kw



One Market Plaza
San Francisco, CA
1,500 kw



Treat Towers
Walnut Creek, CA
800 kw



City Plaza
Orange County, CA
800 kw



505 City Plaza
Orange County, CA
600 kw



600 City Plaza
Orange County, CA
600 kw



The Plaza at LaJolla Village
San Diego, CA
1,125 kw

Power Projects On-Line



Why 30 North LaSalle?

Economically Viable Region

Electric Load

**Most Important:
Customer With a Need**

Typical Summer Day: Steam

Lbs. Per Hour

1,600

1,400

1,200

1,000

800

600

400

200

0



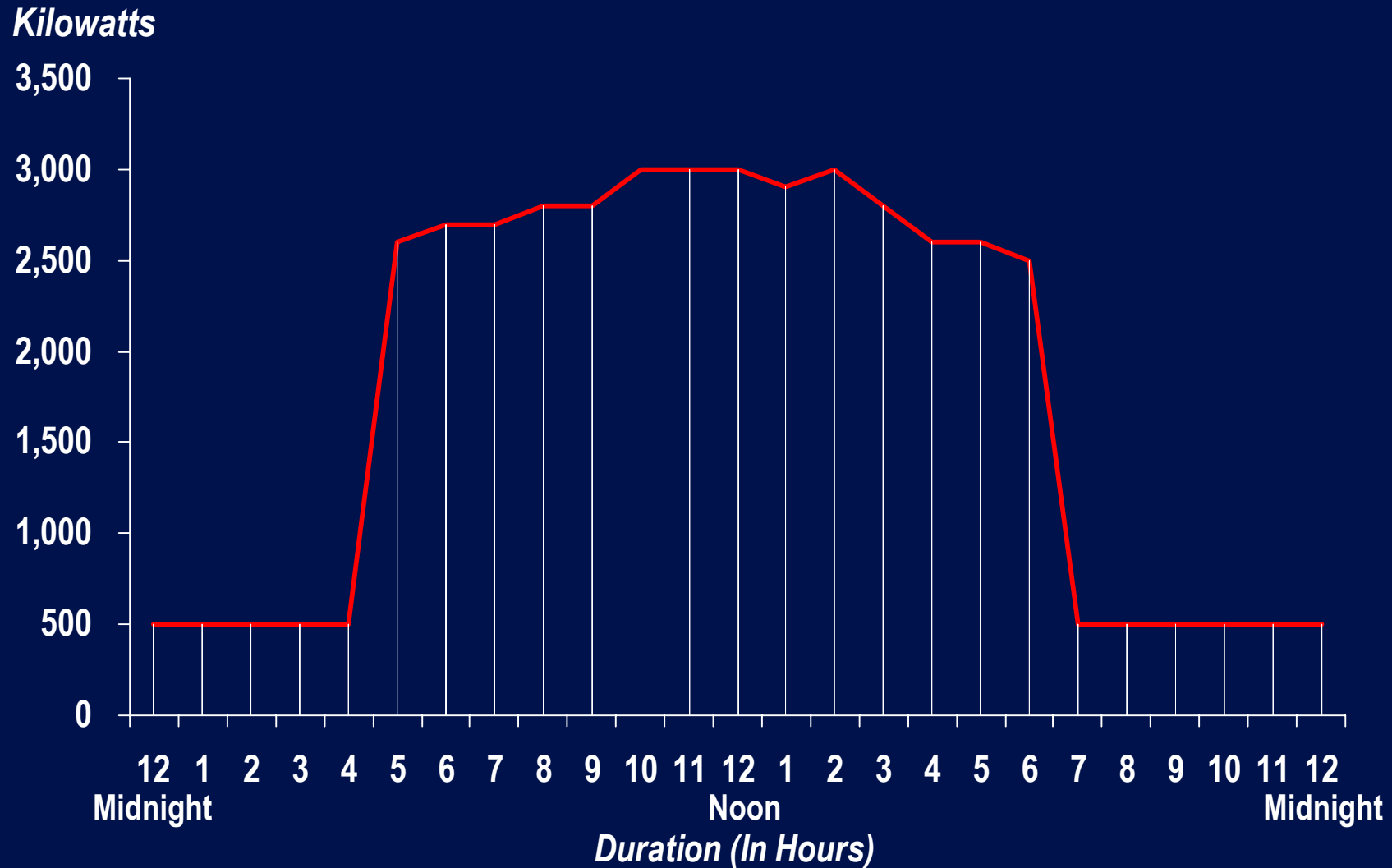
Midnight

Noon

Midnight

Duration (In Hours)

Typical Summer Day: Electric



The Deal

Basic Structure

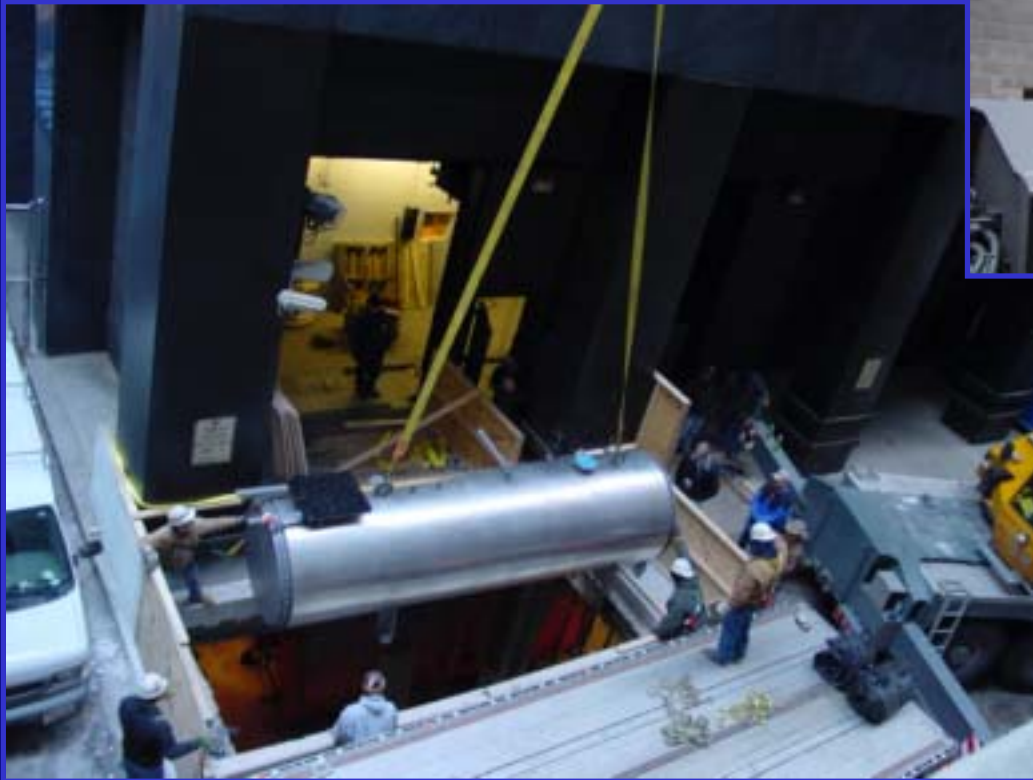
- EOP would coordinate the design, construction and installation of a 1,100 kw CoGen system
 - 1,100 kw Engine GenSet
 - 2,255 lbs / hour 15 psig heat recovery steam generator
 - All ancillary equipment
- In normal operation, the system would provide the building electric power and steam
- In event of power failure, the Engine GenSet would be 100% dedicated to backup power requirements of CT&T

The Deal

General Financial Structure

- CT&T: Capital for standby generation **\$1,300,000**
- EOP: Capital for CoGen
(*\$410,000–\$50,000 Peoples Energy Incentive*) **\$360,000**
- Estimated annual net cash flows:
(*revenues – expenses*) **\$260,000**
- Payback on incremental capital spend
for CoGen **1.38 Years**
- CT&T / Equity Office share net cash flow (win / win)

Installation: HRSG



Installation: Engine GenSet



Building ATs



Electrical Switcher



Vapor Phase HRSG



Cummins Engine

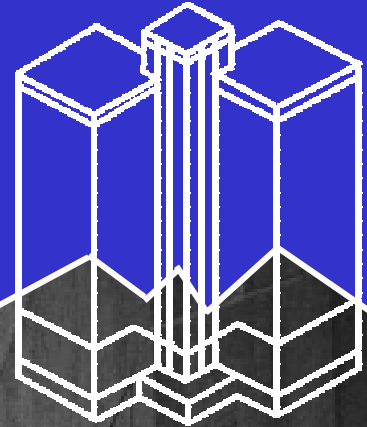


Quick Interconnect for
Backup Diesel

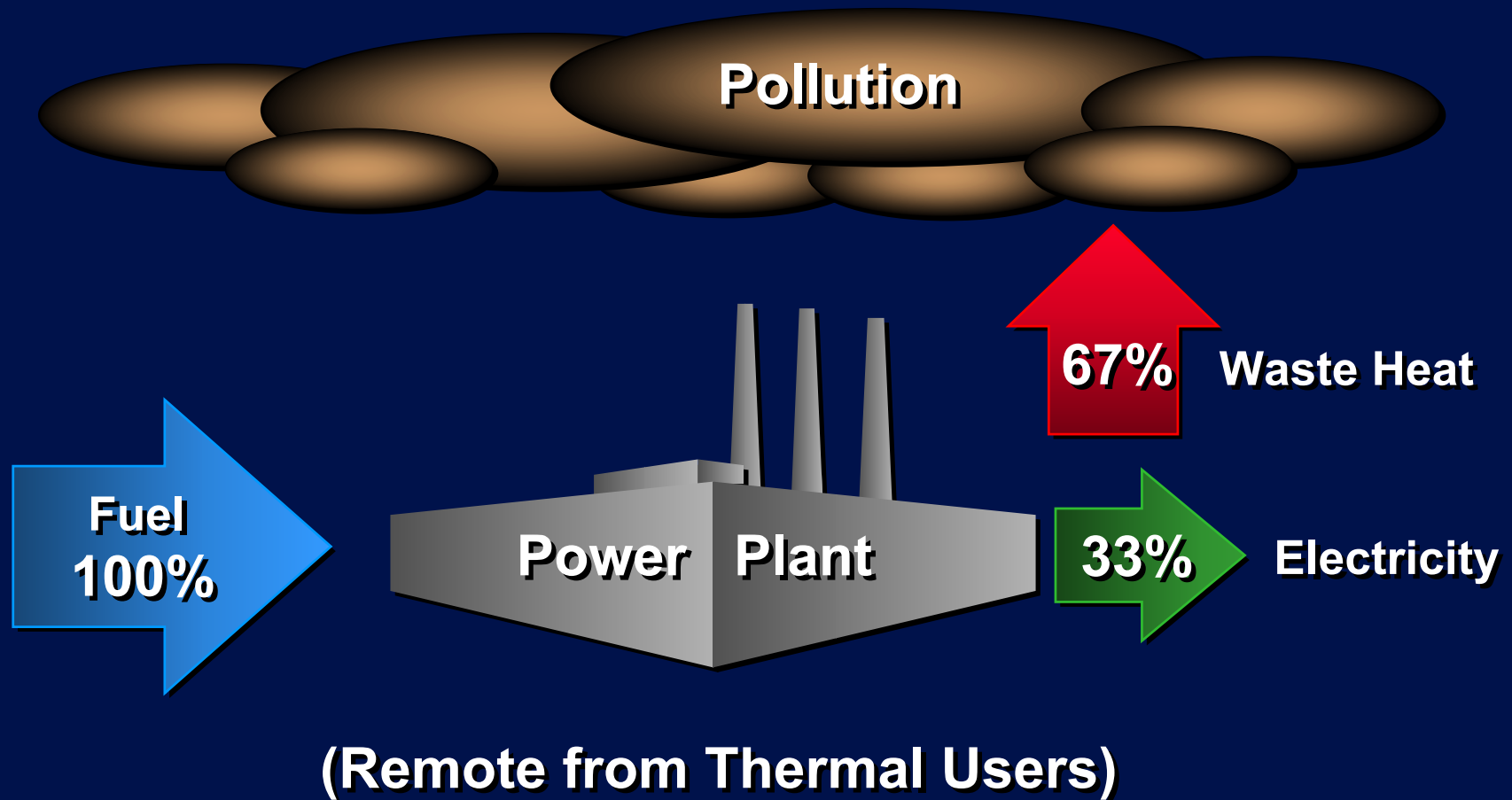


Redundant Gas Boosters

Why is CHP Here to Stay? Efficiency

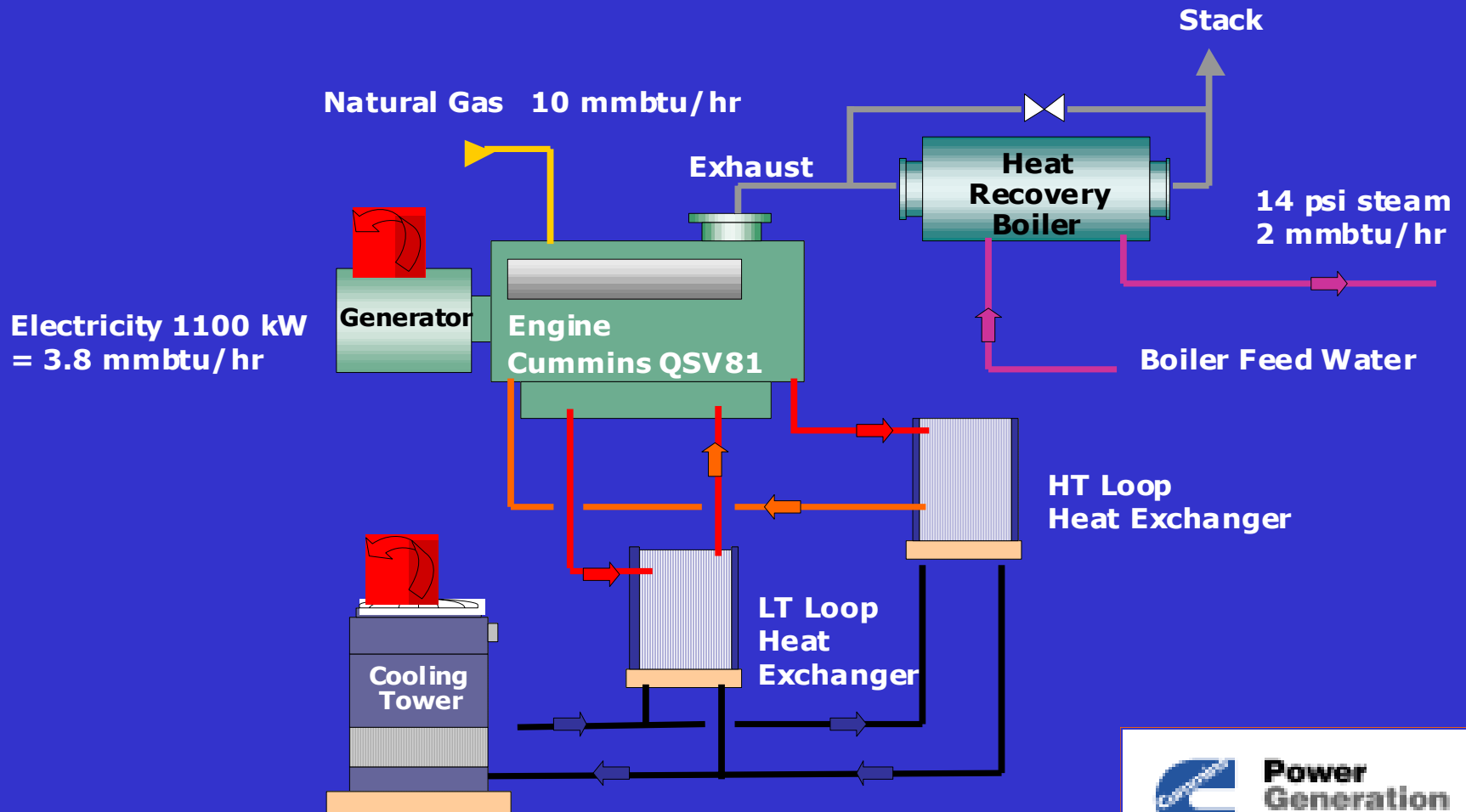


Conventional Thermal Generation



30 N. LaSalle Energy Diagram

58 % Efficiency



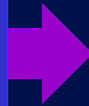
Efficiency

Old System



30% Efficient
when Power Reaches User

New System



60% Efficient
at Point of Use

CHP Wish List

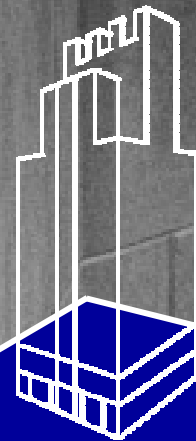
Technical

- Better system efficiency (cost effective)
- Lower system costs
- Reduced system space requirements
- Cost effective/efficient emission systems
- Lower operating costs
- Standardization of systems
- Simple to design, engineer, implement and maintain

CHP Wish List

Commercial

- **Increase efficiency incentives**
- **Standardize all requirements**
 - Electric and Fuel Interconnects
 - Environmental, Building and Operating Permits
- **Get everyone on “same page”**
 - Federal, State and Local Government
 - Utilities
 - Suppliers
 - Special Interest Groups
 - End Users



 **Equity Office**

Redefining the workplace. Together.

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